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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
EUGENE DIVISION

MAXUM INDEMNITY COMPANY,

Case No.: 6:17-cv-01226-MC

Plaintiff,

v.

WORLD PAWN EXCHANGE, LLC,

STIPULATION AND ORDER OF
REFORMATION OF MAXUM
INDEMNITY COMPANY
POLICY NO. BDG 0068496-01

Defendants.

UNOPPOSED

Plaintiff Maxum Indemnity Company ("Maxum") and Defendant World Pawn Exchange, LLC ("World Pawn") are parties to the above-captioned proceeding ("Litigation"). Maxum and World Pawn shall be referred to herein collectively as "Parties" and individually as "Party." The Parties have conferred and discussed all subjects of this Stipulation and proposed Order.

WHEREAS, Maxum issued insurance policy No. BDG 0068496-01 (hereinafter referred to as the "Policy") to World Pawn for the period of December 27, 2012 to December 27, 2013; and

STIPULATION OF REFORMATION OF MAXUM INDEMNITY COMPANY INSURANCE POLICY- 1
CASE NO.: 6:17-CV-01226-MC
LEGAL\34745889\2

WHEREAS, the Parties wish to stipulate to the existence of certain relevant terms of the Policy as referenced in the Complaint filed in this matter, subject to the limitations set forth below.

NOW, THEREFORE, the Parties AGREE AND STIPULATE as follows:

1. The Parties agree that the Policy is reformed to include Form E302 that was referenced in the "Binder" dated December 27, 2012, attached as Exhibit D to the Complaint in this Litigation, and that this reformation of the Policy is effective commencing on December 27, 2012. A copy of Form E302 is attached hereto as Exhibit 1. Accordingly, the provisions of the referenced Form E302 that are included in the Policy state, in part, as follows:

LIMITATION ENDORSEMENT PAWNSHOPS

Exclusion-Firearms or Ammunition Products

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of firearms or ammunition.

2. All other terms and conditions of the Policy remain unchanged, and the Parties' agreement in Paragraph 1 of this Stipulation is subject to the specific limitations set forth in paragraph 3 below and subject to this Stipulation's other terms and conditions;

3. Except for the Parties' agreement stated expressly in Paragraph 1 of this Stipulation, nothing in this Stipulation constitutes an interpretation of or an admission regarding the Policy. Each Party reserves all of its rights concerning the interpretation and application, if any, of the Policy to the claims at issue in this litigation.

4. This Stipulation cannot be used for any other purpose than reformation of the Policy as agreed herein and/or as ordered by the Court below, and therefore it cannot be used in

any litigation or with respect to any claim that does not involve coverage under the Policy. Except to the extent specifically set forth herein, the Parties do not intend to be bound by this Stipulation as to any third party.

5. Other than as set forth herein, the Parties reserve all of their respective rights and defenses and this Stipulation shall not be construed as an express or implied admission that coverage does or does not attach for any claims under the Policy that are at issue in this Litigation.

SO STIPULATED AND AGREED:

DATED: May 8, 2018

COZEN O'CONNOR

By: /s/ Michael D. Handler
Michael D. Handler, OSB No. 105561
Attorneys for Plaintiff Maxum Indemnity
Company

DATED: May 8, 2018

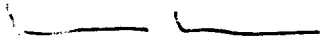
PARSONS FARNELL & GREIN, LLP

Signature Per Telephone Authorization

By: /s/ John D. Parsons
John D. Parsons, OSB No. 924235
Attorneys for World Pawn Exchange, LLC

SO ORDERED:

DATED: 5/9/18

By: 
United States District Court Judge

CERTIFICATE OF SERVICE

I hereby certify that on May 8, 2018, I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following counsel for defendant:

John D. Parsons – jparsons@pfglaw.com; bfinley@pfglaw.com

Ryan M. DesJardins – rdesjardins@pfglaw.com; cjones@pflaw.com

DATED this 8th day of May, 2018.

COZEN O'CONNOR

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EXHIBIT 1

to

**Stipulation and Order of Reformation of
Maxum Indemnity Company
Policy No. BDG 0068496-01**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement, effective at 12:01 A.M. Standard time, forms a part of Policy Number
issued to **World Pawn Exchange, LLC** by Maxum Indemnity Company.

LIMITATION ENDORSEMENT PAWNSHOPS

EXCLUSION - FIREARMS OR AMMUNITION PRODUCTS

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of firearms or ammunition.

LIMITATION - CANINE

This insurance does not apply to "bodily injury" or "property damage" arising out of the ownership, custody, or entrustment to others of any guard dog.

BUSINESS PERSONAL PROPERTY - PAWNED PROPERTY

The following is added to item 1.b. of Section A. COVERAGE of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

(8) Property that is not owned by you that is pawned or held as collateral for a loan.

BUSINESS PERSONAL PROPERTY VALUATION

With respect to Business Personal Property Coverage provided by this policy, the following replaces item a., section 7, Valuation of E. LOSS CONDITIONS of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.

- a. The value of property, except as provided in e. below, will be the least of the following amounts:
1. The actual cash value of that property;
 2. The cost of reasonably restoring that property to its condition immediately before "loss";
 3. The cost of replacing that property with substantially identical property;
 4. The actual amount paid for the property; or
 5. The actual amount loaned on the property, including accrued interest, after deduction for any payments.

The value of property does not include any antique or historical value.

In the event of "loss," the value of property will be determined as of the time of "loss."